

BRACEWELL & PATTERSON

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DIVISION OF OIL
GAS & MINING

April 5, 1985

2900 SOUTH TOWER PENNZOIL PLACE
HOUSTON, TEXAS 77002
713 223 2900
TELEX 76 2141

22 GROSVENOR SQUARE
LONDON W1X 0DY
01 491 4805
TELEX 23459

1650 AMERICAN BANK TOWER
AUSTIN, TEXAS 78701
512 472 7800

See ACT/023/004
Copy to PAM: Lowell
(cover letter only)

Mr. J. Kent Taylor
Forest Supervisor
United States Forest Service
115 East 900 North
Richfield, Utah 84701

Attention: Mr. Ronald K. Tew

Re: Transfer of Plan of Operations from Martin Marietta
Corporation to Southwestern Cement Enterprises,
Inc.

Dear Mr. Taylor:

In reference to the cement plant and related mining and reclamation activities near Fishlake National Forest and Leamington, Utah, enclosed please find a document executed by Southwestern Cement Enterprises, Inc. ("Southwestern") and Martin Marietta Corporation ("Martin Marietta") effecting the transfer of the Plan of Operations. Also enclosed is a corporate resolution from Southwestern accepting the transfer. The corporate resolution from Martin Marietta has already been provided to you.

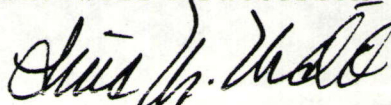
Southwestern is in the process of obtaining the necessary reclamation performance bond in the amount of the previous bond, \$386,000.00, and a completed Form FS-6500-7 will be forwarded to you shortly by Mr. Charles Harper of Rebsamen Insurance, P.O. Box 3198, Little Rock, Arkansas, 72203. Attached to that form will be the Appendix required by the Utah Division of Oil, Gas and Mining. If the amount of the bond can be reduced, please let me or Mr. Harper know as soon as possible. Mr. Harper can be reached at (501) 661-4800.

Mr. J. Kent Taylor
April 5, 1985
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Thank you for your continued cooperation and assistance in this matter. Please call me, of course, if you have any questions.

Very truly yours,

Bracewell & Patterson


Luis M. Nido

LMN/dm
Enclosures

cc: Ms. Susan Rasmussen
Southwestern Portland Cement Company
4885 South 900 East
Salt Lake City, Utah 84117

Mr. Charles Harper
Rebsamen Insurance
P.O. Box 3198
Little Rock, Arkansas 72203

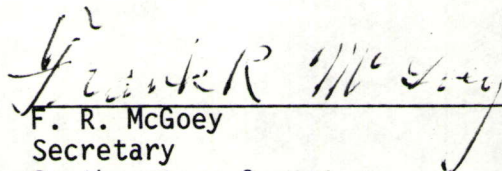
Ms. Pamela Grubaugh-Littig
Reclamation Engineer
Natural Resources-Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84114

Ms. Roberta H. Hough
Financial Administrator
Martin Marietta Basic Products
6801 Rockledge Drive
Bethesda, Maryland 20817

CERTIFICATE OF CORPORATE RESOLUTIONS
OF
SOUTHWESTERN CEMENT ENTERPRISES, INC.

The undersigned hereby certifies that he is the duly elected, qualified and acting Secretary of Southwestern Cement Enterprises, Inc., a Delaware corporation (Company), and as such is familiar with the facts herein certified and is duly authorized to certify the same, and hereby further certifies that the resolutions attached hereto as Exhibit A were duly adopted at a meeting of the Board of Directors of the Company held on Feb. 22nd, 1985, throughout which meeting a quorum was present and voting at all times, and that such resolutions have not been amended or rescinded and are in full force and effect at the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Company this 22nd, day of February, 1985.


F. R. McGoey
Secretary
Southwestern Cement
Enterprises, Inc.

(SEAL)

EXHIBIT A

WHEREAS, the Company entered into a Lease and Purchase Option Agreement dated March 21, 1984 (Agreement) with Martin Marietta Corporation, a Maryland corporation (Martin), pursuant to which the Company has leased from Martin its existing cement plant and related facilities in Leamington, Utah (Plant); and

WHEREAS, Martin conducted mining and reclamation operations at the Plant under a Plan of Operations submitted to the United States Forest Service (USFS) on September 18, 1979 (Plan of Operations), which was approved by the USFS in a letter to Martin dated March 14, 1980; and

WHEREAS, Martin wishes to transfer to the Company and the Company wishes to accept Martin's authorization to conduct such mining and reclamation operations at the Plant and all responsibilities specified in the Plan of Operations and in the USFS letter approving the Plan of Operations, for so long as Southwestern operates the Plant;

NOW, THEREFORE, BE IT RESOLVED, that the proper officers of the Company are hereby authorized to take such actions as they deem necessary, appropriate or desirable to ensure that the Plant is operated in compliance with all applicable environmental laws and regulations, including any requirement that the Company obtain permits or authorizations from any environmental or other regulatory agency; and

RESOLVED FURTHER, that the Company hereby accepts all responsibilities and obligations specified or included in the Plan of Operations and the USFS letter approving the Plan of Operations, for so long as Southwestern operates the Plant; and

RESOLVED FURTHER, that the form, terms and provision of the Transfer of Approved Plan of Operations between Martin and the Company (Transfer) be and they hereby are in all respects approved; and

RESOLVED FURTHER, that the appropriate officers of the Company be and they are hereby authorized on behalf of the Company to execute, deliver and file with the appropriate officials of the USFS the Transfer, in the form presented at this meeting with such changes as the officers executing the Transfer shall approve, such approval to be conclusively evidenced by their signature thereon; and

RESOLVED FURTHER, that the proper officers of the Company are hereby authorized to take such actions, including the execution and filing of any other certificates, requests or applications, as may be necessary to effect the transfer of authorization to conduct mining and reclamation operations at the Plant from Martin to the Company or to effectuate the intent of these resolutions.

TRANSFER OF APPROVED PLAN OF OPERATIONS

By letter dated March 14, 1980, the United States Forest Service ("USFS") approved a Plan of Operations submitted on September 18, 1979 by Martin Marietta Corporation ("Martin"), a Maryland corporation. Pursuant to that approval, Martin has been conducting mining and reclamation operations at its cement plant and related facilities ("Plant") in Leamington, Utah.

Pursuant to the terms of a Lease and Purchase Option Agreement dated March 21, 1984 ("Lease Agreement"), Southwestern Cement Enterprises, Inc. ("Southwestern"), a Delaware corporation, leases the Plant from Martin. In connection with the Lease Agreement, Martin now wishes to transfer its authorization to conduct such mining and reclamation operations at the Plant to Southwestern for so long as Southwestern operates the Plant. Southwestern wishes to succeed Martin as operator of the Plant under the Plan of Operations and wishes to assume Martin's responsibilities and obligations under the Plan of Operations and the said letter approving the Plan of Operations, for the said period. The transfer should be made effective April 3, 1984.

Agreements

Martin and Southwestern hereby agree, for their own benefit and the benefit of the USFS, such agreement to take effect upon the approval by the USFS of the transfer of the Plan of Operations from Martin to Southwestern, as follows:


1. Southwestern has inspected the mining and reclamation operations to its satisfaction and is aware of the condition thereof.
2. Southwestern understands and accepts all of the responsibilities and obligations specified or otherwise included in this transfer, the Plan of Operations and the USFS letter approving the Plan of Operations dated March 14, 1980.
3. Southwestern will continue to implement the Plan of Operations for so long as it operates the Plant, and hereby assumes liability for complying with such plan as to all areas heretofore disturbed, as well as to all areas hereafter disturbed.

Martin and Southwestern hereby request the USFS to consent to the transfer of the Plan of Operations and to

recognize Southwestern as the new operator under the Plan of Operations for so long as Southwestern operates the Plant.

Date: February 22, 1985

Southwestern Cement Enterprises, Inc.

By: 
J. H. Davies
Signature of Officer

Executive Vice President
Title

Subscribed and sworn to before me this
22nd day of February 1985
Frank R. McGoe Notary Public
In and for the County of Los Angeles State of California

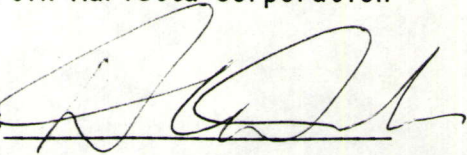
Notary



My Commission expires: _____

Date: 4/3/85

Martin Marietta Corporation

By: 

Signature of Officer

Sr. Vice Pres.

Title

Nancy L. Scholten

Notary

My Commission expires: July 1, 1986